



# **Ontario Energy Board Commission de l'énergie de l'Ontario**

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## **DECISION AND RATE ORDER**

**EB-2015-0108**

### **WATERLOO NORTH HYDRO INC.**

**Application for electricity distribution rates and other charges  
beginning January 1, 2016**

**BEFORE: Christine Long**  
Presiding Member

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**November 26, 2015**

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## 1 INTRODUCTION AND SUMMARY

Waterloo North Hydro Inc. (Waterloo North Hydro) is the electricity distributor that serves approximately 55,000 customers in the City of Waterloo and the Townships of Woolwich and Wellesley. Waterloo North Hydro filed an application with the Ontario Energy Board (OEB) to change the rates it charges to its customers for electricity distribution, to be effective January 1, 2016 (the application). Under the OEB Act, distributors must apply to the OEB to change the rates that they charge customers.

In early October, Waterloo North Hydro filed a settlement proposal which represents a full settlement on all issues.

Following the filing of the settlement proposal, the OEB issued Procedural Order No. 2 which requested submissions from the parties on the settlement proposal's use of the word "privilege" instead of "confidentiality". The Procedural Order observed that the *Practice Direction on Settlement Conferences* refers to confidentiality, and sought submissions on the appropriateness of using "privilege" instead.

In early November, the OEB issued a Decision and Procedural Order No. 3 noting that it was prepared to accept the settlement proposal filed in October except for one issue related to use of the word privilege instead of confidentiality. The issue is outlined in the next section.

In mid-November, Waterloo North Hydro filed an updated settlement proposal in accordance with the OEB's Decision and Procedural Order No. 3 revising wording relating to privilege and confidentiality. In addition, Waterloo North Hydro filed an updated settlement which incorporated the cost of capital parameters for rate applications effective January 1, 2016, issued on October 15, 2015. The OEB accepts the revised settlement proposal.

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## 2 THE PROCESS

The OEB's Decision and Procedural Order No. 3 noted that the wording used in a settlement proposal filed by another distributor (i.e. Kingston Hydro) was clearer with respect to wording regarding privilege and confidentiality, though still not ideal. That settlement proposal was clear in indicating that settlement discussions are confidential, and cannot be disclosed except under three circumstances: a) any persons or entities that the Parties engage to assist them with the settlement conference, b) any persons or entities from whom they seek instructions with respect to the negotiations, and c) any persons or entities to whom they are expected to report the results of the negotiations, and/or the reasons for the positions they have taken; in each case provided that any such persons or entities have agreed to be bound by the same confidentiality provisions.

The OEB, in its Decision and Procedural Order No. 3, indicated that it could accept the first two exceptions with the proposed blanket proviso that any such persons or entities have agreed to be bound by the same confidentiality provisions. However, the OEB was not satisfied that the third exception (c) – persons to whom parties are expected to report the results of the negotiations and the reasons for positions taken – is appropriate. The OEB found this exception to be overly broad.

The OEB encouraged the parties in the Waterloo North Hydro case to consider whether they can agree to wording similar to that used in the Kingston Hydro proposal, subject to the OEB's comments on the exemptions above. The OEB had no other concerns with the filed settlement proposal.

In mid-November, Waterloo North Hydro filed a revised settlement proposal agreed to by parties which removed the reference to part (c) pursuant to the OEB's Decision and Procedural Order No. 3.

In reaching its findings, the OEB was aided by the participation of four parties, known as intervenors, who each represented different groups of customers affected by the Application; Energy Probe Research Foundation (Energy Probe), the Vulnerable Energy Consumers Coalition (VECC), the School Energy Coalition (SEC), and E2 Energy Inc. (E2E).

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### 3 DECISION ON THE ISSUES

This Decision and Rate Order determines Waterloo North Hydro's rates for 2016.

#### 3.1 Revised Settlement Proposal

The parties in the proceeding met on September 3 and 4, 2015 to determine whether they could agree on the revenue requirement and the rates for Waterloo North Hydro for 2016. The parties to the settlement proposal were able to settle all issues.

In mid-November, Waterloo North Hydro filed a revised settlement proposal agreed to by parties pursuant to the OEB's Decision and Procedural Order No. 3.

#### Findings

In its Decision and Procedural Order No. 3, the OEB accepted the cost consequences of the settlement agreement and OEB staff's analysis in support of its submission that the settlement proposal reflects the public interest. The OEB has now also reviewed the information provided in support of the draft Rate Order and proposed Tariff of Rates and Charges, and is satisfied that the Tariff of Rates and Charges filed by Waterloo North Hydro accurately reflects the settlement proposal.

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## 4 IMPLEMENTATION

New rates are to be effective January 1, 2016.

On November 19, 2015, the OEB issued a decision approving three regulatory charges. These regulatory charges are established annually by the OEB through a separate order. These charges are paid for by electricity consumers.

The charges include; the Rural or Remote Electricity Rate Protection (RRRP), Wholesale market service (WMS) and the Ontario Electricity Support Program (OESP) charges.

The RRRP program is designed to provide financial assistance to eligible customers located in rural or remote areas where the costs of providing electricity service to these customers greatly exceeds the costs of providing electricity to customers located elsewhere in the province of Ontario. The RRRP program cost is recovered from all other electricity customers in the province through a charge that is reviewed annually and approved by the OEB.

WMS charges recover the cost of the services provided by the Independent Electricity System Operator (IESO) to operate the electricity system and administer the wholesale market. These charges may include costs associated with: operating reserve, system congestion and imports, and losses on the IESO-controlled grid. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

The OESP is a new rate assistance program for low-income electricity customers. Starting January 1, 2016, eligible low-income customers will receive a monthly credit on their bills. At the same time, all electricity customers in the province will begin paying a charge to fund the program, which will be referred to as the OESP charge.

The Tariff of Rates and Charges flowing from this Decision and Rate Order reflects these new charges, as well as the OESP credits to be provided to enrolled low income customers.

## 5 ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Schedule A of this Order will become final effective January 1, 2016, and will apply to electricity consumed or estimated to have been consumed on and after January 1, 2016. Waterloo North Hydro Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. Waterloo North Hydro Inc. shall establish the deferral accounts set out in Schedule B, effective January 1, 2016.
3. Energy Probe, SEC, VECC and E2E shall submit their cost claims no later than 7 days from the date of issuance of this Decision and Rate Order.
4. Waterloo North Hydro Inc. shall file with the OEB and forward to Energy Probe, SEC, VECC and E2E any objections to the claimed costs within 17 days from the date of issuance of this Decision and Rate Order.
5. Energy Probe, SEC, VECC and E2E shall file with the OEB and forward to Waterloo North Hydro Inc. any responses to any objections for cost claims within 24 days from the date of issuance of this Decision and Rate Order.
6. Waterloo North Hydro Inc. shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

All filings to the Board must quote the file number, EB-2015-0108, be made through the Board's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Jane Scott at [jane.scott@ontarioenergyboard.ca](mailto:jane.scott@ontarioenergyboard.ca) and Board Counsel, Ljuba Djurdjevic at [ljuba.djurdjevic@ontarioenergyboard.ca](mailto:ljuba.djurdjevic@ontarioenergyboard.ca).

**DATED** at Toronto November 26, 2015

**ONTARIO ENERGY BOARD**

*Original Signed By*

Kirsten Walli  
Board Secretary

**SCHEDULE A**  
**DECISION AND RATE ORDER**  
**WATERLOO NORTH HYDRO INC.**  
**EB-2015-0108**  
**TARIFF OF RATES AND CHARGES**  
**NOVEMBER 26, 2015**

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

## MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	19.71
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2018	\$	0.58
Distribution Volumetric Rate	\$/kWh	0.0154
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016		
Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016		
Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of LRAM Variance Account (2016) – effective until December 31, 2016	\$/kWh	0.0002
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0074
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0023

## MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

### APPLICATION

The application of the credits is in accordance with the Distribution System Code (Section 9) and subsection 79.2 of the Ontario Energy Board Act, 1998.

The application of these credits shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;
  - (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;
- but does not include account-holders in Class E.

OESP Credit \$ (30.00)

#### Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;
- but does not include account-holders in Class F.

OESP Credit \$ (34.00)

#### Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
  - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
  - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;
- but does not include account-holders in Class G.

OESP Credit \$ (38.00)

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

### Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons;  
 (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;  
 but does not include account-holders in Class H.

OESP Credit \$ (42.00)

### Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

### Class F

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;  
 (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or  
 (c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

i. the dwelling to which the account relates is heated primarily by electricity;  
 ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (50.00)

### Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

### Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

### Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;  
 (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or  
 (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	31.96
Rate Rider for Smart Metering Entity Charge – effective until October 31, 2018	\$	0.79
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2018	\$	1.38
Distribution Volumetric Rate	\$/kWh	0.0159
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016 Applicable only to Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kWh	(0.0014)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kWh	0.0017
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Recovery of LRAM Variance Account (2016) – effective until December 31, 2016	\$/kWh	0.0009
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kWh	(0.00005)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0021

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Issued November 26, 2015

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered; General Service 50 to 999 kW interval metered; and General Service 1,000 to 4,999 kW interval metered.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	119.38
Distribution Volumetric Rate	\$/kW	5.0649
Low Voltage Service Rate	\$/kW	0.0738
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016		
Applicable only for Non RPP Customers	\$/kW	0.2675
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016		
Applicable only for Non RPP Customers	\$/kW	1.2659
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016		
Applicable only for Non Wholesale Market Participants	\$/kW	(0.6502)
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016		
Applicable only for Wholesale Market Participants	\$/kW	(0.1945)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016		
Applicable only for Non Wholesale Market Participants	\$/kW	0.7720
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016		
Applicable only for Wholesale Market Participants	\$/kW	0.1181
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016		
Applicable only for Non Wholesale Market Participants	\$/kW	(0.6390)
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016		
Applicable only for Wholesale Market Participants	\$/kW	(0.8496)
Rate Rider for Recovery of LRAM Variance Account (2016) – effective until December 31, 2016	\$/kW	0.2552
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kW	(0.0099)

Issued November 26, 2015

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

**GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION**

**MONTHLY RATES AND CHARGES – Delivery Component (continued)**

Retail Transmission Rate – Network Service Rate – (less than 1,000 kW)	\$/kW	2.7741
Retail Transmission Rate – Network Service Rate – Interval Metered (less than 1,000 kW)	\$/kW	2.9465
Retail Transmission Rate – Network Service Rate – Interval Metered (1,000 to 4,999 kW)	\$/kW	2.9427
Retail Transmission Rate – Line and Transformation Connection Service Rate – (less than 1,000 kW)	\$/kW	0.8036
Retail Transmission Rate – Line and Trans. Connection Service Rate – Interval Metered (less than 1,000 kW)	\$/kW	1.0037
Retail Transmission Rate – Line and Trans. Connection Service Rate – Interval Metered (1,000 to 4,999 kW)	\$/kW	1.0026

**MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	6,975.72
Distribution Volumetric Rate	\$/kW	4.0196
Low Voltage Service Rate	\$/kW	0.0925
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kW	(0.7541)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kW	1.0507
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016	\$/kW	(0.8606)
Rate Rider for Recovery of LRAM Variance Account (2016) – effective until December 31, 2016	\$/kW	0.2023
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kW	(0.0072)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.2624
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.0072

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	10.61
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0002
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016		
Applicable only for Non RPP Customers	\$/kWh	0.0006
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016		
Applicable only for Non RPP Customers	\$/kWh	0.0031
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kWh	(0.0015)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kWh	0.0016
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016	\$/kWh	(0.0016)
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kWh	(0.0002)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0021

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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EB-2015-0108

## STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	0.33
Distribution Volumetric Rate	\$/kW	9.3754
Low Voltage Service Rate	\$/kW	0.0570
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2139
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.1196
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kW	(0.5199)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kW	0.7019
Rate Rider for Disposition of Account 1576 – effective until December 31, 2016	\$/kW	(0.5652)
Rate Rider for Application of Tax Change (2015) – effective until April 30, 2016	\$/kW	(0.0208)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0924
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.6210

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Waterloo North Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2016**

**This schedule supersedes and replaces all previously  
approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## **microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	5.40
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# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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EB-2015-0108

## EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES – Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES – Delivery Component

Distribution Volumetric Rate	\$/kW	0.0200
Rate Rider for Disposition of Global Adjustment Account (2015) – effective until April 30, 2016 Applicable only for Non RPP Customers	\$/kW	0.2396
Rate Rider for Disposition of Global Adjustment Account (2016) – effective until December 31, 2016 Applicable only for Non RPP Customers	\$/kW	1.3679
Rate Rider for Disposition of Deferral/Variance Accounts (2015) – effective until April 30, 2016	\$/kW	(0.5823)
Rate Rider for Disposition of Deferral/Variance Accounts (2016) – effective until December 31, 2016	\$/kW	0.5306

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

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EB-2015-0108

## ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

## SPECIFIC SERVICE CHARGES

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

#### Customer Administration

Easement Letter	\$	15.00
Notification Charge	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque charge (plus bank charges)	\$	15.00
Duplicate Invoices for Previous Billing	\$	15.00
Income Tax Letter	\$	15.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

#### Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00

#### Other

Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
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# Waterloo North Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date January 1, 2016

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2015-0108

## RETAIL SERVICE CHARGES (if applicable)

### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

## LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0362
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0147
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0259
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0047

**SCHEDULE B**  
**DECISION AND RATE ORDER**  
**WATERLOO NORTH HYDRO INC.**  
**EB-2015-0108**  
**ACCOUNTING ORDERS**  
**NOVEMBER 26, 2015**

## Accounting Order – Wireless and Wireline

Waterloo North Hydro Inc. (Waterloo North Hydro) shall establish the following variance account effective January 1, 2016:

- 1508 Other Regulatory Asset – Sub-account Wireless and Wireline Variance Account

Waterloo North Hydro shall establish a new variance account 1508 Other Regulatory Asset – Sub-account Wireless and Wireline Variance Account, to record two items: 1) the net (less any related costs) incremental revenues received from any wireless attachments during the IRM period; and 2) any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year. For clarity, this is a symmetrical account that reflects changes to the rate rather than change in number of wireline attachments.

- 1) The net (less any related costs) incremental revenues received from any wireless attachments during the IRM period. These incremental revenues will be recorded as follows:

*Accounting Entry:*

*Debit - Account 4210, Rent from Electric Property*

*Credit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline Variance Account*

- 2) Any changes in revenue received due to any change in the currently regulated wireline attachment rate of \$22.35 per attachment per pole per year;

*Accounting Entry:*

*Debit/Credit - Account 4210, Rent from Electric Property*

*Credit/Debit - Account 1508, Other Regulatory Asset – Sub-account Wireless and Wireline Variance Account*

- 3) The account is symmetrical that reflects changes to the rate rather than change in number of wireline attachments;
- 4) The balance in the variance account is to be disposed of at Waterloo North Hydro's next Cost of Service Filing; and
- 5) Carrying charges, at the Ontario Energy Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## Accounting Order – MS Disposition

Waterloo North Hydro Inc. (Waterloo North Hydro) shall establish the following variance account effective January 1, 2016:

- 1508 Other Regulatory Asset – Sub-account MS Disposition

Waterloo North Hydro shall establish a new deferral/variance account 1508 Other Regulatory Asset – Sub-account MS Disposition, to capture net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs and taxes. Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to Waterloo North Hydro. For clarity, this account is not symmetrical in that ratepayers will not owe a credit to Waterloo North Hydro if this account is in a net loss scenario at the time of disposition. The balance in the variance account is to be disposed of at Waterloo North Hydro's next Cost of Service Filing.

- 1) The net gains and losses on disposition of various Municipal Station properties inclusive of remediation costs;

*Accounting Entry:*

*Debit/Credit - Account 4355/4360, Gain/Loss on Disposition of Utility and Other Property*

*Debit/Credit - Account 1508, Other Regulatory Asset –Sub-account MS Disposition*

- 2) Upon disposition, the balance of this account will be distributed with 75% to ratepayers and 25% to Waterloo North Hydro;
- 3) The account is not symmetrical in that ratepayers will not owe a credit to Waterloo North Hydro if this account is in a net loss scenario at the time of disposition;
- 4) The balance in the variance account is to be disposed of at Waterloo North Hydro's next Cost of Service Filing; and
- 5) Carrying charges, at the Ontario Energy Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## **Accounting Order – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account**

Waterloo North Hydro Inc. (Waterloo North Hydro) shall establish the following deferral account effective January 1, 2016.

- Account 1508 Other Regulatory Assets, Subaccount – OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account

Waterloo North Hydro shall establish the OPEB Forecast Cash versus Forecast Accrual Differential Deferral Account for the purpose of recording the difference in revenue requirement each year between both the capitalized and OM&A components of OPEBs accounted for using a forecasted cash basis (as to be reflected in rates if this settlement is accepted by the Ontario Energy Board) and the capitalized and OM&A components of OPEBs accounted for using a forecasted accrual basis.

If the Board determines that LDCs must only include in rates OPEBs accounted for using a forecasted cash basis, Waterloo North Hydro will seek to discontinue this account without seeking disposition of the amounts recorded in this account. If the Board determines that LDCs may recover OPEBs in rates using a forecasted accrual accounting methodology, Waterloo North Hydro will seek disposition of this account to recover the amounts so recorded in its next cost of service rate application.

Waterloo North Hydro will propose a disposition period over which the account should be recovered depending on the quantum in the account and the potential rate impacts at the time.

Carrying charges, at the Ontario Energy Board's Prescribed Interest Rate for Deferral and Variance Accounts, would be applied until final disposition.

## Sample Journal Entry

### Assumptions:

OPEB costs (accrual basis) = \$ 600,000

OPEB costs (cash basis) = \$ 200,000

OPEB costs split between operating and capital on a 70/30 ratio.

Assume capital items depreciated over 40 years and half year rule applies in year of acquisition.

Assume OPEB costs incurred evenly throughout the fiscal period.

The sample accounting entries for the Deferral Account is provided below:

The sample accounting entries for the Deferral Account is provided below:

A: To record the excess of OPEBs accounted for using a forecasted accrual basis over OPEBs accounted for using a forecasted cash basis.

DR	1508	Other Regulatory Assets, Subaccount – OPEB Forecast Cash versus Forecast Accrual Differential Deferral	Account \$ 400,000
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CR	Capital costs (various accounts)	\$ 120,000
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CR	OM&A expenses (various accounts)	\$ 280,000
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B: To reverse depreciation recorded on capital portion of OPEB costs:

DR	Accumulated Depreciation	\$ 1,500
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CR	Depreciation	\$ 1,500
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